AIRPORT: Moses Lake Municipal (W20)

ASSOCIATED CITY: Moses Lake

ARC: B-I

REGION: North Central

AIRPORT DATA AND FACILITIES

Moses Lake Municipal Airport is located in Grant County, two miles northeast of Moses Lake. The Airport has 27 based aircraft, including 20 single-engine, 3 multi-engine piston-powered, 2 turboprops, and 2 helicopters. The latest available data indicate that Moses Lake Municipal had a total of 18,000 annual operations. Runway 16-34, the Airport's only runway, is 2,500 feet long, 50 feet wide, has an asphalt surface, and is equipped with medium intensity runway lights. The Airport has no published approaches. The



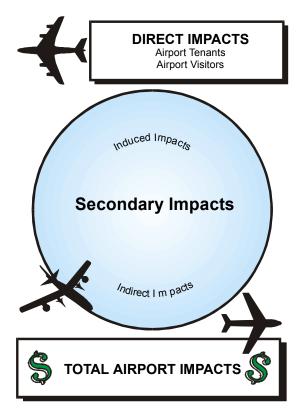
threshold to Runway 16 has been displaced by 470 feet. Vertical guidance to Runway 34 is provided by precision approach path indicators.

ECONOMIC IMPACTS

The economic impacts of Washington's airports were calculated using a methodology which has evolved over the past decade and is nationally recognized as the standard for conducting economic impact studies of airports. The methodology is consistent with analytical models used by the Federal Aviation Administration (FAA), and employs the use of direct survey information and an input/output model (IMPLAN) as developed by the U.S. Department of Commerce to determine multipliers specific to the state of Washington for "secondary" economic impacts.

<u>Types of Economic Impact</u> - This study identified and examined those aviation activities at the public use airports in Washington that created economic impacts. These impacts are generated in three ways: 1) Direct, 2) Indirect, and 3) Induced Effects. Combined, the three impact types yield the total economic impacts of an airport, as described below:





DIRECT ECONOMIC IMPACTS

These economic impacts occur as a consequence of providing aviation services. These impacts usually occur at the airports, and comprise the financial expenditures by firms which carry passengers (air carrier, air charter or air taxi) or cargo; firms which serve the air carrier and general aviation functions (airport tenants); governmental agencies which support aviation; ground transport firms; and others. In every instance, the impacts include only expenditures where the recipient is located within each airport's service area.

The sole aviation related business located at the Moses Lake Municipal Airport is Rainbow Flying Services. General aviation operational activity at the airport accounted for nearly 7,400 passengers and visitors. The total combined direct economic output of airport patrons, passengers and visitors, as well as the airport tenant, to the Airport was

\$3,339,918. These first-round expenditures at the airport account for 56 jobs with combined wages of approximately \$863,101.

INDIRECT ECONOMIC IMPACTS (Secondary Impact)

These economic impacts occur as a result of the use of aviation service. They include the regional expenditures made by air passengers who visit the region (at hotels, restaurants, ski facilities, etc.); expenditures by the region's residents associated with their use of aviation; and expenditures by firms having economic activity which is dependent on the airport. These indirect economic impacts accounted for \$649,983 of indirect output, approximately 8 jobs, while providing \$214,367 in indirect wages.

INDUCED ECONOMIC IMPACTS (Secondary Impacts)

The "indirect" and "direct" impacts represent increases in regional final demand. Such increases do not represent total economic impact; there is also a "multiplier" effect. This multiplier effect comprises the local value of money as it circulates through the local economy and as individuals or firms associated with airport business buy goods and services in the local economy. Induced impact for the Moses Lake Municipal Airport was \$722,786, with



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approximately 10 jobs providing \$234,641 in induced employee compensation. Each airport's total economic impact is the sum of the three types of impacts.

TOTAL ECONOMIC IMPACTS

The total economic impact across the state were quantified by adding together the direct, indirect and induced impacts for each airport, and interpreting, comparing, and presenting the results.

The output of the IMPLAN model enabled the presentation of total economic impacts by airport in terms of three economic impact measures: 1) jobs (employment); 2) earnings (payroll), and; 3) economic activity (output). Each of these was determined based on individual multipliers per industry categories. In each case, total impacts include the aviation sector itself, as well as the "multiplier effect" of the aviation sector. The impacts were estimated using Year 1998 data.

All three indicators of economic impact are useful; however, the monetary measures should not be added together, as discussed below:

- ▶ <u>Jobs (Employment)</u> The number of employees who are employed in the aviation industry, plus the aviation-oriented share of those that are employed in sectors that support the air passenger (hotels, restaurants, etc.) plus those employed in the industries included in the multiplier effect impacts. The number of jobs attributable to an industry is always greater than simply those in the industry itself, due to the "re-spending" of money. Total employment impact was approximately 75 jobs.
- Labor Earnings (Payroll) The sum of the wages and salaries to all employed persons that the aviation industry pays, directly or indirectly, to deliver the output of final aviation demand. Earnings Impacts are always included in the Economic Activity totals, so they should not be summed with the Economic Activity impact. Earnings are a very conservative proxy for "value added." Earnings may be greater or less than the Direct and Use values depending on the industry type. Total earnings impact generated by the airport was \$1,312,108.
- Economic Activity (Sales Output) The value of the aviation final demand (aviation or airport service), plus the "multiplier" effect (the sum of all of the intermediate goods and services needed to produce the aviation final demand, plus the induced impacts of increased household consumption). Total economic activity equals the sum of intermediate demands, consumption demand, government demand, investment demand, and net export demand. Economic Activity is always larger than both the Direct and Use values because it includes the multiplier effect. The total economic impact generated by the Moses Lake Municipal Airport is totaled at \$4,712,689.

	Direct ₊	Indirect ₊	Induced =	Total Impacts
Jobs (Employmen	t) Number of Jobs Supported 56.4	Number of Jobs Supported 8.2	Number of Jobs Supported 9.5	Total Number of Jobs Supported 74.5
Labor Earnin (Payroll)	gs Annual Salary Supported \$863,101	Annual Salary Supported \$214,367	Annual Salary Supported \$234,641	Total Annual Salary Supported \$1,312,108
Economic (Sales Outpu		Contribution to Economy (Dollars) \$649,983	Contribution to T Economy (Dollars) \$722,786	Fotal Contribution to Economy (Dollars) \$4,712,689

SUMMARY

On an annual basis, Moses Lake Municipal Airport's tenants and its visitors in Grant County, Washington contribute the following total annual economic benefit:



Total 74.5



Total \$1,312,108



Total \$4,712,689